

question, embraces, truly, the constituent materials of this important *desideratum*, and to the elucidation of that principle, the views of the Committee have been mainly directed; and towards that end it would remark, that, among the errors and misconceptions which prevail, in reference to this subject, there is none which is more common than the assumption that an alteration in the quantity of money will be necessarily followed by a *proportionate* change in the prices of *all* commodities; and infinite mischiefs and miseries have been inflicted upon the world through those errors and misconceptions, as propagated by numerous writers on this science. There would be more of truth in that assumption if the trading universe consisted only of one community; but being wisely distributed into continents and islands, empires, kingdoms and subdivisions, the surplus money of one section will seek employment in foreign commerce, or find investment in the stocks, or estates, of other countries.

The most general effect of an increase, or a diminution of the currency, is a rise, or decline, in the exchangeable value of REAL property; and generally, to an extent, greatly exceeding the degree, or ratio, of that increase, or diminution, while PERSONAL chattels, or commodities of commerce, are less affected by fluctuations of the currency; and these variant effects may be ascribed to actual causes, and established principles, to wit: the permanent and immovable character of the one, and the wasting or transferable nature of the other. And as the products of the soil are enhanced in price in commercial marts, to the utmost *maximum* of competition, through the natural action of an abundant currency, so are imports, and the fabrics of the country, reduced to the *minimum* of trading profit from the operation of the same cause. In proof of the prevalence of this principle, and of the verity of these facts, it will suffice to refer to the state of England, or the nearer markets of our eastern cities. But of all productions the food of man is less the subject of such an influence; and that is owing to its bulky nature, and perishable quality; as if an excess, or a scarcity, exists, of corn, it will be relatively low, or high in price, without a commensurate regard to the abundance, or dearth of currency.

Among the various expedients to supply the deficit of revenue, it has not escaped the view of the Committee, that effective means might be obtained through the equitable principle of deriving interest from the deposits of the public moneys—but this resource would be merged in the more